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Chile

Fresh Deciduous Fruit Annual

Fresh Apples, Table Grapes and Pears Annual

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Report Highlights:
The industry forecasts that production of table grapes, apple and pears for the coming season will be similar to last year's production, as the winter weather has been favorable.

Executive Summary:

As a result of good weather conditions in all fresh fruit production areas, apple, table grape and pear harvest expanded during this past season (MY2010) when compared with the previous season (MY2011). For the coming year, although it is too early in the season for an accurate forecast, a similar volume of production for apples, table grapes and pears are expected provided conditions remain stable.

Commodities:

Apples, Fresh

Production:

Total output in CY2011 resulted larger than previously estimated despite adverse weather conditions during the spring of CY2010. For CY2012, although it is still early to predict production volume, Chile's apple harvest is forecasted to be similar to the past year's harvest, as weather conditions during this last winter months (Jun-Aug. 2011) have been favorable with frost only in some growing areas and not during the flowering time. Additionally sufficient cold hours have a positive effect on budding, which assures a good production.

Producers have been diversifying their orchards, during the last decade, by planting new and more productive varieties, i.e., Fuji, Gala, Jonathan, Braeburn, Pink Lady and Galaxies in replacement for the traditional varieties, such as Red Delicious and its variations (i.e., Richard Red, Starking, etc) and increasing orchard density, output in the coming years is expected to keep expanding. Red apple varieties constitute over 75 percent of total planting and output. The main green variety is Granny Smith, which is used both for fresh export (mainly to Europe and the United States) as well as for concentrated apple juice production.

Crop Area

Although some growers, mainly in Regions VII (Curico-Talca) and VIII (Chillan), continue to replace and increase their planting densities, many farmers have been uprooting old orchards. In general, the total planted area is static due to a significant decrease in economic returns observed during the last few years. A strong peso together with increased labor costs has also been a factor by reducing competitiveness of the labor-intensive fruit industry in Chile. All these factors have brought the planted area into a holding pattern after a decade of continuous growth. The exchange rate for the peso fell again during the last 12 months from 494 Chilean pesos to 484 pesos to the dollar. Other factors, like increasing energy costs are also affecting the industry. Consequently, industry sources have indicated that increases of new plantings and significant production increases in the coming years are not expected.

Consumption: There are no official statistics on domestic fresh apple consumption. The figures shown in the PS&D table are estimated as a residual of production, minus an estimate of apples destined for processing and the known export figure.

Trade:

A strong export demand for apples resulted in an increase of volume exported in CY2011 when compared to both, the previous year and our last estimates. Economic returns increased also during CY2011 as prices obtained for the exported apples increased slightly when compared to the previous year as was indicated by an industry source. Exports increased 23 percent in volume and 4 percent in value during 2011 when compared with the same period of 2010.

Production, Supply and Demand Data Statistics:

Apples, Fresh Chile	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Jan 2010		Market Year Begin: Jan 2011		Market Year Begin: Jan 2012	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	37,300	37,300	37,300	37,300		37,300
Area Harvested	32,900	32,900	33,000	33,000		33,100
Bearing Trees	14,800	14,800	14,845	14,845		14,890
Non-Bearing Trees	2,011	2,011	1,966	1,966		1,921
Total Trees	16,811	16,811	16,811	16,811		16,811
Commercial Production	1,360,000	1,360,000	1,496,000	1,496,000		1,490,000
Non-Comm. Production	10,000	10,000	10,000	10,000		10,000
Production	1,370,000	1,370,000	1,506,000	1,506,000		1,500,000
Imports	245	245	250	250		250
Total Supply	1,370,245	1,370,245	1,506,250	1,506,250		1,500,250
Fresh Dom. Consumption	185,146	190,596	194,290	195,000		195,000
Exports	842,599	837,149	840,000	846,000		840,000
For Processing	342,500	342,500	471,960	465,250		465,250
Withdrawal From Market	0		0	0		
Total Distribution	1,370,245	1,370,245	1,506,250	1,506,250		1,500,250
HA, 1000 TREES, MT						

Export Trade Matrix

Country	Chile				
Commodity	Apples, Fresh				
Exports for:	2009		**2010**		
Time Period	Jan-Dec	Units:	M.T.		
Units:	**Volume**	**Value**		**Volume**	**Value**
U.S.	88,057	65,608	U.S.	121,083	100,139
Others			**Others**		
Netherlands	64,950	37,834	Colombia	76,614	53,956
Colombia	59,293	39,040	Saudi Arabia	58,979	41,810
Peru	38,899	19,198	Netherlands	56,856	38,966
Ecuador	38,864	21,877	Taiwan	51,305	56,435
Saudi Arabia	36,068	25,214	Ecuador	47,412	30,868
Taiwan	31,953	35,371	Peru	47,185	26,361
UK	30,696	22,551	Russia	38,018	26,629
Russia	30,446	20,672	UK	35,885	28,751
Venezuela	27,520	41,132	U Arab Emirates	28,859	19,959
U Arab Emirates	25,458	16,870	India	23,035	15,055
Total for Others	384,147			464,147	
Others not Listed	206,296			251,920	
Grand Total	**678,500**	**486,589**		**837,149**	**624,931**

Time Period	Jan-Sep				
Exports for:	2010		**2011**		
U.S.	121,083	100,139	U.S.	90,634	61,288
Others			**Others**		
Colombia	58,850	53,956	Colombia	64,233	48,535
Saudi Arabia	58,531	41,810	Netherlands	60,414	43,576
Netherlands	56,856	38,966	Saudi Arabia	53,962	40,766
Taiwan	51,305	56,435	Russia	48,688	35,364
Ecuador	40,554	30,868	Taiwan	46,451	54,292
Russia	37,958	26,361	Ecuador	41,553	28,503
U.K.	35,883	26,629	Peru	33,560	20,517
Peru	35,484	28,751	U.K.	29,142	21,814
United Arab E.	28,769	19,959	India	29,095	17,900
India	22,912	15,055	United Arab E.	26,406	18,707
	427,102			433,503	
	217,647			249,920	
	765,832	**576,991**		**774,056**	**575,741**

Note: Volume in M.T. and Value in Thous.US$ F.O.B.

Commodities:

Grapes, Table, Fresh

Production:

Although weather has been colder than usual with snow fall in Atacama Region (Copiapo) which affected some table grape plantings, grape production is expected to be similar to last season. Sufficient cold hours accumulated during last winter (Jun-Aug 2011) will assure a good production and harvest in the coming season (MY2012).

Chile produces over 36 varieties of table grapes for export. Thompson Seedless and Flame Seedless account for the bulk of production. Varieties like Red Globe, Superior Seedless, Crimson and Autumn Royal continued to increase in the last few years, as most of the replanting has been with these varieties. Table Grapes are planted from Atacama Region (Copiapo) to Maule Region (Curico-Talca).

Crop Area

Industry sources agree that new additional plantings are not likely for the next few years as economic returns have been affected by increasing costs and falling prices for table grapes. Additionally, a revaluation of the Chilean peso against the dollar has not being helping the fresh fruit export industry in general, as their cost are in pesos and the income is in dollars.

Consumption:

As with other Chilean fresh fruits, domestically consumed table grapes are mainly export rejects. There are no official statistics on domestic consumption. Domestic fresh consumption is derived from the only known figure, which is exports, and estimated production data. Domestic consumption generally accounts for about 10 percent of total output, while processing accounts for another 30 percent.

Trade:

Table grape export volumes rose in CY2011 when compared with the previous year, as a result of a larger production. In CY2012 exports' will be similar than the previous year but at a smaller export value as international prices have fallen. Close to 50 percent of total exports go to the US. The EU is Chile's second table grape export market. As in the past, table grapes are being imported during the off-season.

Production, Supply and Demand Data Statistics:

Grapes, Fresh Chile	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Jan 2010		Market Year Begin: Jan 2011		Market Year Begin: Jan 2012	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	62,411	62,411	62,462	62,462		62,470
Area Harvested	53,085	53,085	53,118	53,118		53,125
Commercial Production	1,100,000	1,100,000	1,210,000	1,210,000		1,200,000
Non-Comm. Production	5,000	5,000	5,000	5,000		5,000
Production	1,105,000	1,105,000	1,215,000	1,215,000		1,205,000
Imports	282	282	250	250		250
Total Supply	1,105,282	1,105,282	1,215,250	1,215,250		1,205,250
Fresh Dom. Consumption	323,979	324,197	380,250	375,250		365,250
Exports	781,303	781,085	835,000	840,000		840,000
For Processing	0	0	0	0		0
Withdrawal From Market	0	0	0	0		0
Total Distribution	1,105,282	1,105,282	1,215,250	1,215,250		1,205,250
HA, MT						

Export Trade Matrix

Country	Chile				
Commodity	Grapes				
Exports for:	2009		**2010**		
Time Period	Jan-Dec				
Units:	**Volume**	**Value**		**Volume**	**Value**
U.S.	467,933	662,567	U.S.	411,496	704,958
Others			**Others**		
Netherlands	80,979	95,088	Netherlands	68,123	100,769
UK	52,984	78,120	UK	49,658	81,589
Russia	30,492	39,170	Russia	41,387	61,111
Hong-Kong	30,222	45,285	So. Korea	31,103	62,048
So. Korea	25,991	40,525	Hong-Kong	25,191	48,489
México	19,138	25,019	México	18,588	32,400
Germany	13,531	14,314	Brazil	11,699	16,905
Spain	12,299	15,303	Spain	11,499	16,486
China	12,284	19,211	China	9,830	21,148
Brazil	10,872	12,792	Canada	7,698	14,600
Total for Others	288,793			274,775	
Others not Listed	93,680			94,814	
Grand Total	**850,405**	**1,135,258**		**781,085**	**1,306,974**

Time Period	Jan-Sep				
Exports for:	2010		**2011**		
U.S.	394,363	654,270	U.S.	378,206	514,893
Others			**Others**		
Netherlands	68,123	100,769	Netherlands	84,969	112,659
U.K.	49,657	81,588	U.K.	50,749	85,056
Russia	41,387	61,111	Hong-Kong	39,785	63,781
South Korea	31,011	61,702	South Korea	39,310	73,033
Hong-Kong	25,109	48,354	Russia	35,917	47,640
México	18,447	32,084	China	23,797	39,898
Brazil	11,697	16,900	Mexico	19,454	31,359
Spain	11,499	16,486	Brazil	18,728	26,958
China	9,830	21,148	Canada	18,355	22,963
Canada	7,672	14,540	Spain	11,945	15,169
Total for Others	274,432			343,010	
Others not Listed	94,740			107,855	
Grand Total	**763,536**	**1,255,352**		**829,070**	**1,197,926**

Note: Volume in M.T. and Value in Thous.US$ F.O.B.

Commodities:
Pears, Fresh

Production:
Frost in some production areas during the winter of CY2010 did not affect pear production negatively. As a result the total output exceeded previous estimates. For the coming season it is still early to predict production volume of pears. Weather conditions during this last winter months (CY2011) have been good allowing enough cold hours to accumulate for a good budding which again which will have a positive effect on total production. The industry is predicting a similar than last year's output and exports of pears for the coming season.

There are over 36 pear varieties grown in Chile. Packam's Triumph and Beurre Bosc make up over 60 percent of Chile's exports. Other important varieties in Chile are Abate Fetel, Coscia, Summer Bartlets and D'Anjou.

Consumption:
Most pears are consumed fresh because only a few existing varieties in Chile can be processed for canning or juice concentrates. Domestically consumed pears are mainly export rejects.

Trade:
Exports are expected to be similar than last year. The European Union is Chile's main export market. Close to 50 percent of exports are destined for the EU.

Production, Supply and Demand Data Statistics:

Pears, Fresh Chile	2009/2010		2010/2011		2011/2012	
	Market Year Begin: Jan 2010		Market Year Begin: Jan 2011		Market Year Begin: Jan 2012	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	6,590	6,590	6,590	6,590		6,590
Area Harvested	6,000	6,000	6,000	6,000		6,000
Bearing Trees	2,981	2,981	2,981	2,981		2,981
Non-Bearing Trees	285	285	285	285		285
Total Trees	3,266	3,266	3,266	3,266		3,266
Commercial Production	260,000	260,000	280,000	288,000		285,000
Non-Comm. Production	2,000	2,000	2,000	2,000		2,000
Production	262,000	262,000	282,000	290,000		287,000
Imports	61	61	20	20		25
Total Supply	262,061	262,061	282,020	290,020		287,025
Fresh Dom. Consumption	81,488	262,061	83,020	85,000		85,000
Exports	116,773	116,261	129,000	130,000		131,000
For Processing	63,800	63,800	70,000	75,020		71,025
Withdrawal From Market	0	0	0	0		0
Total Distribution	262,061	442,122	282,020	290,020		287,025
HA, 1000 TREES, MT						

Export Trade Matrix

Country	Chile				
Commodity	Pears, Fresh				
Exports for:	2009		**2010**		
Time Period	Jan-Dec				
Units:	**Volume**	**Value**		**Volume**	**Value**
U.S.	18,187	15,352	U.S.	16,916	16,448
Others			**Others**		
Netherlands	26,739	21,985	Netherlands	16,990	16,330
Italy	14,605	16,961	Colombia	16,555	13,461
Colombia	13,514	10,168	Italy	13,039	15,249
Peru	9,790	5,935	Peru	11,295	7,665
Venezuela	8,460	13,111	Ecuador	8,931	6,543
Ecuador	6,730	4,502	Germany	4,774	4,513
Germany	5,179	4,380	Russia	4,520	4,180
Spain	5,032	4,800	Spain	4,334	4,553
Russia	3,728	2,963	Venezuela	2,560	2,849
UA Emirates	2,275	2,181	Saudi Arabia	2,546	2,426
Total for Others	96,053			85,544	
Others not Listed	15,330			13,821	
Grand Total	**129,570**	**113,898**		**116,281**	**106,949**

Time Period	Jan-Sep				
Exports for:	2010		**2011**		
U.S.	16,916	16,448	U.S.	19,971	12,847
Others			**Others**		
Netherlands	16,990	16,330	Netherlands	20,015	18,195
Colombia	15,440	12,464	Colombia	17,997	15,825
Italy	13,039	15,249	Italy	13,924	14,460
Peru	10,037	6,755	Ecuador	10,511	8,372
Ecuador	8,677	6,350	Peru	10,332	7,381
Germany	4,774	4,513	Venezuela	8,584	9,971
Russia	4,520	4,180	Germany	5,727	3,417
Spain	4,334	4,553	Russia	4,268	4,539
Saudi Arabia	2,546	2,426	Spain	3,189	3,086
France	1,997	1,919	Mexico	2,144	1,901
	82,355			96,690	
	13,785			15,661	
	113,056	**104,168**		**132,322**	**114,092**

Note: Volume in M.T. and Value in Thous.US$ F.O.B.

Commodities:

Apple Juice, Concentrated

Production:
Chile's production of apple juice concentrate (AJC) primarily reflects foreign demand and apple availability. Although, the AJC industry has encouraged farmers to produce sour-type apples, as well as to expand new plantings of apple varieties mainly for juice purposes, it still processes almost only export rejects. The apple juice industry competes with the pulp and dried apple industry for the apples left from the fresh exported process.

As a result of a strong export demand for concentrated apple juice, reflected in an increase of the export price which raised the export value by an estimated 80 percent when compared this year's export against the same period of last year. Export volume also rose over 80 percent during the first 9 months of 2011 when compared to the same period of last year. The industry predicts a strong demand during CY2012 and expects to increase apple purchases during the next harvesting season.

Consumption:
Limited amounts of AJC, principally single-strength juice, are consumed domestically. AJC competes with a variety of fresh and processed juices in Chile.

Trade:
The United States is Chile's largest AJC export market, accounting for 60 percent of total export sales. Other markets of increasing importance are Japan, Mexico and Canada. Latin American export markets also are growing fast. Levels of AJC exports will depend upon foreign demand and the ability of the industry to compete in international markets against other suppliers such as China.

Production, Supply and Demand Data Statistics:

Export Trade Matrix

Country	Chile				
Commodity	Apple Juice, Concentrated				
Exports for:	2009		**2010**		
Time Period	Jan-Dec	Units:	M.T.		
Units:	**Volume**	**Value**		**Volume**	**Value**
U.S.	23,770	24,447	U.S.	18,599	18,511
Others			**Others**		
Japan	5,207	5,990	Canada	5,405	5,872
México	3,761	4,585	Japan	3,834	4,076
Canada	3,677	3,130	México	3,809	4,117
So. Korea	848	906	Netherlands	1,689	1,958
Costa Rica	199	352	Germany	1,264	1,427
Peru	140	200	So. Korea	1,056	1,302
Panamá	123	155	U.K.	480	558
Venezuela	98	106	Argentina	458	484
Ecuador	56	94	El Salvador	294	322
Dominican Rep.	55	74	Peru	184	257
Total for Others	14,164			18,472	
Others not Listed	212			662	
Grand Total	**38,146**	**40,318**		**37,732**	**39,847**

Time Period	Jan-Sep				
Exports for:	2010		**2011**		
U.S.	13,608	13,125	U.S.	21,332	37,059
Others			**Others**		
Canada	4,460	4,572	Canada	8,720	16,879
Japan	3,089	3,203	Germany	4,229	8,357
México	2,784	2,997	Japan	3,626	5,725
So. Korea	730	886	México	3,420	6,180
Netherlands	322	321	U.K.	2,305	4,649
Argentina	249	261	So. Korea	1,797	3,607
U.K.	249	233	Netherlands	1,090	2,226
El Salvador	220	239	Poland	533	1,008
Peru	147	209	Spain	442	887
Venezuela	137	152	Argentina	334	492
	12,387			26,495	
	486			801	
	26,481	**26,857**		**48,628**	**88,659**

Note: Volume in M.T. and Value in Thous.US$ F.O.B.